

EXHIBIT 52

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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

FINJAN, INC., A DELAWARE
CORPORATION,

PLAINTIFF,

VS.

BLUE COAT SYSTEMS, INC.,

DEFENDANT.

CASE NO. CV-15-03295-BLF
SAN JOSE, CALIFORNIA
JANUARY 8, 2018
VOLUME 2

PAGES 25 - 283
SEALED PAGES 251-253,
265-267

TRANSCRIPT OF TRIAL
BEFORE THE HONORABLE BETH LABSON FREEMAN
UNITED STATES DISTRICT JUDGE AND A JURY

A-P-P-E-A-R-A-N-C-E-S

FOR THE PLAINTIFF: KRAMER, LEVIN, NAFTALIS & FRANKEL,
LLP
BY: PAUL J. ANDRE
LISA KOBIALKA
JAMES HANNAH
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(APPEARANCES CONTINUED ON THE NEXT PAGE.)

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CERTIFICATE NUMBER 8074
LEE-ANNE SHORTRIDGE, CSR, CRR
CERTIFICATE NUMBER 9595

PROCEEDINGS RECORDED BY MECHANICAL STENOGRAPHY,
TRANSCRIPT PRODUCED WITH COMPUTER.

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A P P E A R A N C E S: (CONT'D)

FOR THE DEFENDANT: MORRISON & FOERSTER
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ALSO PRESENT: SYMANTEC
BY: DAVID MAJORS
CARRIE FLYNN

FINJAN
BY: JULIE MAR-SPINOLA
PHILIP HARTSTEIN

MORRISON & FOERSTER
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THOMAS & THOMAS
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RLM
BY: JASON YOUNG

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OPENING STATEMENT BY MR. ANDRE P. 135

OPENING STATEMENT BY MS. DURIE P. 159

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FOR THE PLAINTIFF:

DAVID KROLL
DIRECT EXAM BY MR. HANNAH P. 182
CROSS-EXAM BY MR. SABRI P. 188

HARRY BIMS
DIRECT EXAM BY MR. ANDRE P. 194
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PHILIP HARTSTEIN
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I N D E X O F E X H I B I T S

	IDENT.	EVIDENCE
PLAINTIFF'S:		
1284		217
1245		218
771		225
963		230
967		231
DEFENDANT'S:		
JOINT:		
2006		185

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03:38PM 1 COURTROOM IN FRONT OF A JURY AND THE JURY IN THAT CASE DECIDED
 03:38PM 2 AND DETERMINED THAT BLUE COAT WAS INFRINGING FIVE OF FINJAN'S
 03:39PM 3 PATENTS, AND THERE WERE THUS DAMAGES BASED ON THE ACCUSED
 03:39PM 4 PRODUCTS IN THAT CASE.
 03:39PM 5 Q. AND WAS ONE OF THE PATENTS IN THAT CASE ALSO IN THIS CASE?
 03:39PM 6 A. YES, ONE PATENT WAS IN THAT CASE, AND ONE PATENT IS NEW IN
 03:39PM 7 THIS CASE.
 03:39PM 8 Q. OKAY. SO IS THE PATENT THAT WAS IN COMMON IN THAT FIRST
 03:39PM 9 CASE AND IN THIS CASE, IS THAT THE '844 PATENT?
 03:39PM 10 A. IT IS, YES.
 03:39PM 11 Q. AND DO YOU RECALL WHAT THE PRODUCT WAS THAT WAS AT ISSUE
 03:39PM 12 THERE?
 03:39PM 13 A. YES. THE ACCUSED INFRINGING PRODUCT IN THAT FIRST CASE
 03:39PM 14 WAS A TECHNOLOGY CALLED WEBPULSE.
 03:39PM 15 Q. AND WHY DID FINJAN HAVE TO FILE THIS LAWSUIT? WHAT
 03:39PM 16 HAPPENED?
 03:39PM 17 A. SO BLUE COAT CONTINUED LAUNCHING AND DEVELOPING AND
 03:39PM 18 PUSHING INTO THE MARKET NEW TECHNOLOGIES, NEW PRODUCTS, AND THE
 03:39PM 19 REALITY IS THAT WE HAD REACHED A POINT IN THE FIRST CASE THAT
 03:39PM 20 WENT TO TRIAL WHERE WE JUST COULDN'T KEEP PUTTING OUR CLAIMS
 03:40PM 21 INTO THAT, AND SO WE WERE LEFT WITH AN OPTION TO WALK AWAY FROM
 03:40PM 22 THOSE CLAIMS OR TO PRESERVE OUR RIGHTS BY FILING A NEW LAWSUIT
 03:40PM 23 BECAUSE THE ISSUES IN THIS CASE ARE DIFFERENT FROM THOSE THAT
 03:40PM 24 WERE IN THE FIRST CASE.
 03:40PM 25 Q. AND WERE YOU SURPRISED YOU NEEDED TO FILE A SECOND

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03:40PM 1 LAWSUIT?
 03:40PM 2 A. I'M -- I WOULD ALWAYS PREFER A PATH TO LICENSING AND, YES,
 03:40PM 3 I AM ALWAYS SURPRISED AT HOW MUCH ACTUAL LITIGATION IS
 03:40PM 4 INVOLVED, YES.
 03:40PM 5 Q. BUT IN THE INSTANCE WITH BLUE COAT, KIND OF GIVEN ALL THAT
 03:40PM 6 HAD HAPPENED, WERE YOU SURPRISED THAT YOU HAD TO GO THROUGH AND
 03:40PM 7 FILE A NEW LAWSUIT ON THE NEW TECHNOLOGIES?
 03:40PM 8 A. YEAH. IN SOME INSTANCES -- FOR EXAMPLE, WE HAD ANOTHER
 03:40PM 9 COMPANY WHERE WE ALSO REACHED A JURY DECISION, AND IN THAT CASE
 03:40PM 10 THE COMPANY EXPRESSED AN INTEREST TO TAKE A LICENSE TO THE
 03:40PM 11 PORTFOLIO AFTER THE JURY HAD DECIDED, AND IN THAT INSTANCE BOTH
 03:41PM 12 PARTIES CAME TOGETHER RATHER QUICKLY, AND WE WERE ABLE ALSO NOT
 03:41PM 13 ONLY TO AGREE TO A TERM, BUT A PRICE.
 03:41PM 14 AND IN THAT CASE FINJAN ACTUALLY RECEIVED MORE THAN WE DID
 03:41PM 15 IN THE JURY'S AWARD. SO WE RECEIVED SOME PREMIUM TO THE
 03:41PM 16 DOLLARS, BUT WE WERE ALSO ABLE TO ACHIEVE A CROSS-LICENSE FOR
 03:41PM 17 OUR COMPANY'S PATENTS AS WELL.
 03:41PM 18 Q. WELL, LET'S TALK ABOUT FINJAN'S LICENSING. WE HAVE A
 03:41PM 19 SLIDE HERE THAT KIND OF GOES OVER IT. SO WE TALKED ABOUT YOU
 03:41PM 20 LICENSE TECHNOLOGY AND INTELLECTUAL PROPERTY.
 03:41PM 21 BUT CAN YOU NAME SOME OF FINJAN'S LICENSEES AND PARTNERS
 03:41PM 22 THAT YOU'VE HAD OVER THE YEARS?
 03:41PM 23 A. SURE. SO TODAY THERE ARE I BELIEVE JUST UNDER 20
 03:41PM 24 LICENSEES TO THE FINJAN PATENT PORTFOLIO. STARTING FROM THE
 03:41PM 25 LEFT, THE FIRST ONE THE COMPANY HAD WAS A LICENSE AGREEMENT,

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03:41PM 1 EXCUSE ME, WITH MICROSOFT. I DON'T THINK I NEED TO EXPLAIN WHO
 03:41PM 2 THEY ARE.
 03:41PM 3 AND THEN MOVING TO THE RIGHT -- I'LL SKIP SOME OF THE ONES
 03:42PM 4 THAT ARE IN THE DARKER BLUE, BUT YOU CAN SEE M86 THERE AND YOU
 03:42PM 5 CAN SEE TRUSTWAVE. AS YOU RECALL, TRUSTWAVE ENDED UP ACQUIRING
 03:42PM 6 M86, BUT THOSE ARE TWO SEPARATE LICENSES.
 03:42PM 7 WEBROOT, INTEL, WEBSense.
 03:42PM 8 AND THEN MOVING REALLY INTO THE 2015 TIMEFRAME, COMPANIES
 03:42PM 9 LIKE F-SECURITY, AVAST, F5 NETWORKS, VERACODE, GOING THROUGH
 03:42PM 10 THE LIST, AVIRA, FIREEYE.
 03:42PM 11 THERE ARE ALSO COMPANIES ON THERE THAT ARE CONFIDENTIAL SO
 03:42PM 12 WE'RE NOT ABLE TO SHARE THEIR NAMES WITH YOU, BUT BEING A
 03:42PM 13 PUBLIC COMPANY WE ENDEAVOR TO THE BEST OF OUR ABILITIES TO BE
 03:42PM 14 ABLE TO SHARE THAT INFORMATION WITH YOU, BUT WE COULDN'T IN
 03:42PM 15 THESE TWO CASES.
 03:42PM 16 Q. SO ARE ALL OF THOSE COMPANIES IN THE CYBER SECURITY SPACE
 03:42PM 17 THAT YOU HAD LICENSES TO?
 03:42PM 18 A. YES, THEY'RE ALL IN THE CYBER SECURITY SPACE.
 03:42PM 19 Q. AND AT A HIGH LEVEL, COULD YOU JUST DESCRIBE WHAT WERE THE
 03:42PM 20 COMPONENTS OF THAT MICROSOFT LICENSE BACK IN 2005?
 03:42PM 21 A. SO 2005, YOU KNOW, I WOULD ARGUE THAT FINJAN WAS STILL
 03:43PM 22 VERY MUCH A STARTUP, AND SO BEING ABLE TO STRIKE A LICENSE
 03:43PM 23 AGREEMENT WITH MICROSOFT, WHO WAS JUST ENTERING THE SECURITIES
 03:43PM 24 SPACE BUT WAS WILLING TO RECOGNIZE THE IMPORTANCE OF FINJAN'S
 03:43PM 25 TECHNOLOGY, WAS REALLY TRANSFORMATIONAL FOR OUR BUSINESS.

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03:43PM 1 THERE WERE SEVERAL COMPONENTS TO THAT AGREEMENT. THEY
 03:43PM 2 PAID AN 8 OR 9 PERCENT LICENSING FEE AND THEY MADE A \$2 MILLION EQUITY
 03:43PM 3 INVESTMENT IN THE COMPANY.
 03:43PM 4 AND WHILE ALL OF THE CASH WAS GREAT TO THE BUSINESS, IT
 03:43PM 5 WAS MORE TO THE DISTRIBUTION AND THE MARKETING THAT THE
 03:43PM 6 COMPANIES HAD THAT WAS ABLE TO BRING AWARENESS TO WHAT FINJAN
 03:43PM 7 WAS DOING AS A SMALL COMPANY.
 03:43PM 8 AND TO ILLUSTRATE THAT, ONE OF THE BIGGEST SECURITIES
 03:43PM 9 CONFERENCES THAT IS STILL AROUND TODAY IS CALLED RSA, AND IT
 03:43PM 10 HAPPENS IN SAN FRANCISCO EVERY YEAR AND WE ACTUALLY SET UP
 03:43PM 11 INSIDE MICROSOFT'S BOOTH.
 03:43PM 12 SO WITH AN AWARENESS IN THE INDUSTRY AND A VISIBILITY FOR
 03:44PM 13 THE COMPANY, I WOULD SAY THOSE TWO ASPECTS ARE VERY IMPORTANT
 03:44PM 14 TO THE BUSINESS.
 03:44PM 15 Q. SO I BELIEVE WE ALREADY TALKED ABOUT THE 25 PERCENT EQUITY
 03:44PM 16 OWNERSHIP FROM M86 FROM THAT 2009 TIMEFRAME.
 03:44PM 17 TURNING TO TRUSTWAVE, WAS THERE SOME VALUE THAT WAS
 03:44PM 18 ASSOCIATED WITH THAT LICENSE AGREEMENT?
 03:44PM 19 A. YEAH. SO ALL OF OUR LICENSING AGREEMENTS HAVE WHAT I
 03:44PM 20 WOULD REFER TO AS PRICING PROTECTIONS IN THEM, AND A PRICING
 03:44PM 21 PROTECTION, FOR EXAMPLE, MIGHT BE A TRIGGERING EVENT.
 03:44PM 22 IN THIS CASE WHEN TRUSTWAVE ACQUIRED M86, THAT WOULD HAVE
 03:44PM 23 TRIGGERED A PROVISION THAT EXISTED IN THAT LICENSING AGREEMENT
 03:44PM 24 AT THE TIME.
 03:44PM 25 Q. AND WHAT WAS THAT WORTH WHEN TRUSTWAVE ACQUIRED M86 IN

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